R E P O R T R E S U M E S

ED 021 147 VT 005 947

NEW DEVELOPMENTS IN MANPOWER PROGRAMS.
DEPARTMENT OF LABOR, WASHINGTON, D.C.

PUB DATE APR 68

EDRS PRICE MF-$0.25 HC-$0.88 20P.

DESCRIPTORS- *MANPOWER DEVELOPMENT, *PROGRAM DESCRIPTIONS, *FEDERAL PROGRAMS, *EMPLOYMENT PROGRAMS, *DISADVANTAGED GROUPS, WORK EXPERIENCE PROGRAMS, EXPERIMENTAL PROGRAMS, MDTA PROGRAMS,

THE THREE MAJOR FOCUSES OF MANPOWER POLICY AND PROGRAMS IN 1967 WERE ON THE CONCENTRATION AND UNIFICATION OF MANPOWER FORCES TO HELP THE NATION'S MOST DISADVANTAGED PEOPLE ACHIEVE EMPLOYABILITY AND DECENTLY PAID JOBS, ON GREATLY INCREASED EFFORTS TO INVOLVE PRIVATE INDUSTRY IN THE TRAINING AND JOB ADJUSTMENT OF THE HARD-CORE UNEMPLOYED, AND ON NEW PROGRAM DEVELOPMENTS AIMED AT GREATER FLEXIBILITY IN MEETING THE DIVERGENT NEEDS OF DIFFERENT INDIVIDUALS AND GROUPS. SOME OF THE MEASURES AIMED AT SPEEDING PROGRESS IN THESE DIRECTIONS WERE (1) EXPANDING THE CONCENTRATED EMPLOYMENT PROGRAM, DESIGNED TO COORDINATE THE ATTACK ON HARD-CORE UNEMPLOYMENT, (2) STRENGTHENING AND STREAMLINING THE MANPOWER ADMINISTRATION, THE INSTRUMENT WITHIN THE FEDERAL GOVERNMENT WHICH MANAGES ALMOST 80 PERCENT OF OUR MANPOWER PROGRAMS, (3) ESTABLISHING THE COOPERATIVE AREA MANPOWER PLANNING SYSTEM, BEGUN IN 1967, ON A LONG-TERM BASIS, (4) ESTABLISHING THE JOB OPPORTUNITIES IN BUSINESS SECTOR (JOBS) PROGRAM, A NEW PARTNERSHIP BETWEEN GOVERNMENT AND PRIVATE INDUSTRY TO TRAIN AND HIRE THE HARD-CORE UNEMPLOYED, AND (5) ESTABLISHING THE WORK INCENTIVE PROGRAM (WIN) OF WORK AND TRAINING FOR EMPLOYABLE PEOPLE ON PUBLIC ASSISTANCE. DESCRIPTIONS OF OTHER PROGRAMS AND DISCUSSIONS OF WAYS OF MEETING THE NEEDS OF SPECIFIC CLIENT GROUPS ARE INCLUDED. A BUDGETARY INCREASE OF 25 PERCENT WAS RECOMMENDED FOR 1969 MANPOWER PROGRAMS. THIS CHAPTER APPEARS IN "MANPOWER REPORT OF THE PRESIDENT AND REPORT ON MANPOWER REQUIREMENTS, RESOURCES, UTILIZATION, AND TRAINING" (1968) AVAILABLE AS VT 001 025. (ET)

Manpower Message of the President and Report on Manpower Requirements, Resources, Utilization, and Training. 1968.

ED021147

U.S. DEPARTMENT OF HEALTH, EDUCATION & WELFARE
OFFICE OF EDUCATION

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NEW DEVELOPMENTS IN MANPOWER PROGRAMS

Manpower policy and programs had three major focuses in 1967—on the concentration and unification of manpower forces to help the Nation's most disadvantaged people achieve employability and decently paid jobs, on greatly increased efforts to involve private industry in the training and job adjustment of the hard-core unemployed, and on new program developments aimed at greater flexibility in meeting the divergent needs of different individuals and groups.

Efforts in these directions began in 1966, as reported in last year's *Manpower Report.* But 1967 saw a great extension of the 1966 beginnings. Some new programs were begun in 1967 also, and 1968 has already brought new developments and may bring others. However, the major thrusts of manpower action this year are expected to be in the same three broad directions as in 1967.

Several new and strengthened programs aimed at speeding progress in these directions were called for by the President in his Manpower message in January. First, he recommended expansion of the Concentrated Employment Program, which was established in 1967 to bring together all manpower program resources in a coordinated attack on hard-core unemployment in the particular local areas where people most need help.

The President also announced that he had "recently directed the Secretary of Labor to strengthen and streamline the Manpower Administration—the instrument within the Federal Government which manages almost 80 percent of our manpower programs." And he proposed that the Cooperative Area Manpower Planning System started last year be established on a long-term basis. This system links Federal, State, and local resources in a coordinated effort to reduce unemployment and underemployment.

The major new program called for by the President—Job Opportunities in Business Sector (JOBS)—will be aimed at

> . . . a new partnership between government and private industry to train and hire the hard-core unemployed. . . .
>
> Essentially, the partnership will work this way:
>
> The government will identify and locate the unemployed.
>
> The company will train them, and offer them jobs.
>
> The company will bear the normal cost of training, as it would for any of its new employees.
>
> But with the hard-core unemployed there will be extra costs.

And these extra costs will be paid for by the Government.

Besides finding jobs for disadvantaged workers, both the JOBS and the Concentrated Employment programs will provide the full range of educational, health, and other services required to meet these workers' individual needs, make them more employable, and help them stay on the job. Another highly important new program of work and training for employable people on public assistance—the Work Incentive Program (WIN)— will similarly emphasize a variety of services tailored to individual needs. This emphasis on services to individuals increasingly pervades all elements of the manpower program network.

To support the national manpower program

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effort, a total budget of $2.1 billion for fiscal 1969—25 percent more than in fiscal 1968—has been recommended. With this budget, the number of individuals served by manpower programs can be increased even more—to nearly 1.3 million in fiscal 1969 from not quite 1 million this year. (See table 1.) Particularly sharp increases over the fiscal 1968 level are projected in the numbers to be enrolled in the school and summer programs for disadvantaged youth and also in on-the-job training (OJT) programs. These increases are largely a result of the new JOBS Program but they also reflect expected increases in private industry cooperation in other programs involving on-the-job training. In addition, increases are anticipated in the numbers served by the Concentrated Employment Program and several other programs.

This chapter reviews the major new program developments of 1967 and also those already underway or anticipated during 1968, including the JOBS Program. With the added resources and capacity for service which are anticipated. these new developments should make possible very substantial progress in all three directions of action already emphasized—a concerted attack on the problems of the hard-core unemployed, enlistment of full cooperation from private industry in this endeavor, and provision of manpower and related services in such combinations as may be dictated by individual needs. The goal is, in the President's words, "* * * to build a network of manpower programs designed to match individual needs with individual opportunities."

TABLE 1. INDIVIDUALS SERVED BY MANPOWER PROGRAMS, FISCAL YEAR 1968–69 ESTIMATES

[Thousands]

Category and program	FY 1968	FY 1969[1]
Total[2]	970	1,292
Structured training	492	638
On-the-job[3]	186	281
Institutional[4]	129	170
Job Corps	98	98
New Careers	10	13
MDTA part-time and employability training	57	63
Indian manpower activities	13	14
Work-experience programs[5]	435	590
School and summer work	310	469
Community work experience	126	121
General manpower services and program support	44	65
Support to Concentrated Employment Program	34	50
Special Impact Program	10	15

[1] Preliminary estimates, subject to revision. Based on appropriations for FY 1968, without allowance for activities financed by carry-over funds, and on President's recommended budget for FY 1969.

[2] Excludes regular placements by the public Employment Service system.

[3] Includes OJT portions of programs under the Manpower Development and Training Act (MDTA), title IV of the Social Security Act, Economic Opportunity Act, and veterans' legislation. OJT components of the CEP and the JOBS program are funded largely from these sources.

[4] Includes institutional training under the MDTA, title IV of the Social Security Act, and some other programs.

[5] Includes the work-experience portions of the NYC, WIN, and other programs.

NOTE: Detail may not add to totals due to rounding.

SOURCE: *Budget of the United States, Fiscal Year 1969* (Washington: Executive Office of the President, Bureau of the Budget, 1968), p. 145.

Concentration of Manpower Forces

The Concentrated Employment Program (CEP) and the Cooperative Area Manpower Planning System (CAMPS) are the two major new efforts, begun in 1967 and scheduled for major expansion this year, to concentrate manpower forces against poverty. The Model Cities Program, with its strong emphasis on manpower development, is another; on a smaller scale, the one-stop Neighborhood Service Centers represent still another. In addition, the Special Impact Program will make possible an intensive attack on unemployment and poverty in particular slum areas through business and community development.

Contributing to these efforts is the Human Resources Development Program of the Federal-State Employment Service system. This program represents a marshaling and reorientation of the system's facilities and services, with focus on helping the disadvantaged qualify for and obtain meaningful jobs.

THE CONCENTRATED EMPLOYMENT PROGRAM

The Concentrated Employment Program provides a close-knit system for delivering manpower services for the disadvantaged. It began operating in local areas in the late summer and fall of 1967.

Every area program has four principal features: (1) Enlisting the active support and cooperation of business and labor organizations in local communities; (2) providing a wide range of counseling, health, education, and training services on an individual basis; (3) developing employment opportunities suited to each individual in the program; and (4) providing the followup assistance necessary to assure that a job, once obtained, will not quickly be lost.

Concentrated Employment contracts are entered into by the Department of Labor with a single responsible sponsor in each locality. This sponsor arranges for subcontracts as required to supply the services disadvantaged workers need from the time they enter the project through job placement, coaching on the job, and, where necessary and feasible, a second or even continuous "chance."

The local Community Action agencies of the Office of Economic Opportunity are the local sponsors for most of the first Concentrated Employment Programs. They provide some services to individuals (for example, outreach and orientation) and coordinate the total effort. The State Employment Service offices furnish services such as testing, counseling, referral to training, job placement, and followup. Other community agencies, as needed, may provide health services, vocational rehabilitation, work-experience opportunities to inculcate sound work habits, and opportunities for on-the-job training in either private or public employment.

The program began when the Secretary of Labor and the Director of the Office of Economic Opportunity set aside $100 million of fiscal 1967 funds to finance concentrated manpower program efforts in certain target areas with particularly heavy unemployment and underemployment. The lessons learned through Jobs Now in Chicago[1] and other pilot programs aimed at increasing public and private employment of the disadvantaged were to be intensively applied. By the end of June 1967, contracts had been entered into for programs in 20 urban slum areas, in the 18-county region of the Mississippi Delta, and in a 10-county area of northern Michigan.

Initial progress was spotty, owing largely to communication and coordination problems and some poor planning. Lack of supportive services such as day-care facilities and the inadequacies of local transportation have been additional obstacles in many communities.

Business cooperation in opening private employment opportunities for disadvantaged workers has been slow. However, some firms have been making earnest efforts to provide employment opportunities. And some have assigned staff members to provide executive assistance to the projects or serve as coaches, who help project clients and employers with job adjustment problems.

Nevertheless, more than 51,000 individuals had been interviewed and screened for the local Concentrated Employment Programs by the end of 1967. Of these, approximately 34,000 had already received services, as follows:[2]

—17 percent had received basic education.

—10 percent had obtained skill training in MDTA projects.

—12 percent had obtained work experience in the Neighborhood Youth Corps, 7 percent in New Careers projects, and 8 percent in Special Impact projects.

—27 percent had completed one or more CEP manpower development projects, and 14 percent had dropped out.

—40 percent were still enrolled at the year's end.

—22 percent had been placed in employment.

—11 percent had been referred to other training programs.

As 1968 began, nearly 15,500 more workers were awaiting placement in a project or in employment.

The Concentrated Employment Program is to be extended before the end of fiscal 1968 to a total of 64 cities and 12 rural areas, and the 1969 budget recommends its expansion to 70 new areas, 35 of them rural. The proposed rural projects reflect a recognition that manpower programs can become

[1] See *1967 Manpower Report*, pp. 54–55, for a description of Jobs Now.

[2] The percentages cannot be totaled since they overlap in many cases.

disproportionately concentrated in urban areas, and that more and better services for disadvantaged rural people are badly needed.

There are still grave problems of coordination. More reliable provision is needed for supportive services. But it is believed that this program can go far toward reducing unemployment and underemployment among the estimated half million most disadvantaged workers in big city poverty pockets and among those in rural areas.

Experience under the Concentrated Employment Program is being closely monitored by independent evaluators, participant-observer studies, and special research studies. The findings of these appraisals will help to guide the future direction of the program.

THE CAMPS PROGRAM

To meet the need for joint planning and coordinated action in manpower development and related fields, the Cooperative Area Manpower Planning System (CAMPS) was established in 1967.

This locally oriented system was developed under the leadership of the Department of Labor, with the participation of the Office of Economic Opportunity, the Economic Development Administration of the Department of Commerce, the Department of Housing and Urban Development, and three branches of the Department of Health, Education, and Welfare—the Assistance Payments Administration, the Rehabilitation Services Administration, and the Bureau of Adult and Vocational Education of the Office of Education.

The need for joint governmental action in providing manpower and related services is obvious. But there has been little precedent. Each agency draws its authority from different legislative acts, each act imposing its own conditions on utilization of funds. Many agencies function through State or local grantees, or both. The timing of each grant has seldom been closely related to that of others, although the State or local programs involved might be interrelated and even interdependent. In established Federal-State programs, a large element of local autonomy has made immediate local response to Federal stimulus unpredictable.

The CAMPS program began in March 1967. Area manpower coordinating committees were convened in 68 major labor areas to draw up comprehensive coordinated manpower plans for the approaching new fiscal year. The area committees were charged with sharing information in order to identify the area's major manpower needs and problems, to assess the outlook for economic development and the manpower development resources likely to be available, and to develop a comprehensive plan for deploying all available manpower resources, thus avoiding duplication and concentrating services in areas of greatest need.

In the fall of 1967, CAMPS was broadened to include manpower-related programs of the Departments of Agriculture and Interior and the Civil Service Commission. Starting with the current planning cycle for fiscal year 1969, Governors and mayors are being urged to provide leadership in the establishment and functioning of State and local CAMPS committees.

Local agencies, which are closely linked with participating Federal agencies, have provided the nucleus for the area committees. But voluntary participation has been urged on other agencies with programs related to human resources development. Invitations have been extended also to appropriate representatives of metropolitan or county government (for example, a mayor's committee on manpower or a comprehensive planning agency). Information, advice, and operating assistance may be sought from educators, community leaders, employers, trade union representatives, and others. A typical area committee may include representatives of at least 24 different manpower or manpower-related programs. Interagency cooperation on so large a scale has never been attempted before.

The functioning of the system rests largely on good will and a desire to cooperate, although it is stimulated by Federal agencies with some financial control. No authority exists by which an uncooperative agency could, for example, be directed to meet planning deadlines. Means for coordinating Federal project approvals are still not fully developed, and the timing of Federal appropriations makes firm planning difficult. Nevertheless, the system has brought together, for the first time on an organized basis, most major local, State, and Federal agencies involved in manpower development. It is producing an inventory of manpower programs—information never before available—and is seeking to develop a plan to coordinate them.

It is producing for the first time an assessment of unmet needs, so the impact of current programing on the total problem can be evaluated better. And it is providing a basis for linking the various programs that serve persons in need.

However, it is already evident, particularly where rural areas are involved, that special funds and staff will be needed by all participating agencies and for the CAMPS structure—area, regional, and national—if the planning system is to progress beyond the information exchange point. The demands of the system should not be met at the expense of the regular operating responsibilities of the member agencies. Adequate staff support is required if CAMPS is to generate the information necessary to develop, review, and implement annual plans—which are expected to include the manpower components of the projected Neighborhood Service Centers and Model Cities Programs (discussed below)—and, in general, to serve as an umbrella for all relevant manpower programing in the community. Accordingly, the President's budget recommendations for fiscal 1969 include $11 million to support the CAMPS operation during that year and to help establish it on a long-term basis.

MODEL CITIES

One function of CAMPS will be to coordinate manpower services in the Model Cities Program established under the Demonstration Cities and Metropolitan Development Act of 1966. Under the leadership of the Department of Housing and Urban Development, and with the full participation of all concerned Federal agencies, a comprehensive locally planned attack will be made on the social, economic, and physical problems of blighted urban areas, using ongoing grant-in-aid programs, as well as funds appropriated by the Congress specifically for the Model Cities Program.

Sixty-three cities were awarded grants in November 1967 to plan Model Cities Programs. All are expected to assign high priority to the resolution of manpower problems. Selection of the cities for planning awards has hinged, in part, on the prospect they offer of substantially reducing underemployment and unemployment through work and training opportunities for neighborhood residents.

Concentrated Employment Programs have already been introduced in 13 of the cities selected for Model Cities Programs. The plan for new CEP installations calls for incorporating them as key components of Model Cities Programs wherever feasible. To the extent possible, the city areas covered by the two programs will coincide.

NEIGHBORHOOD SERVICE CENTERS

The neighborhood center idea is not new. The Office of Economic Opportunity sponsors more than 700 multipurpose centers in 200 cities, and the Departments of Labor, of Health, Education, and Welfare, and of Housing and Urban Development [3] provide funds for single or multipurpose centers in many more. The new program aims at more unified action in identifying and furnishing speedily the manpower and other services needed by the poor and disadvantaged at a single location.

By the end of 1967, preliminary plans had been completed for pilot Neighborhood Service Centers in 11 major cities and approval of the plans for three more was imminent. The 14 cities involved are Chattanooga, Louisville, Philadelphia, St. Louis, Washington, Boston, Cincinnati, Dallas, Detroit, Minneapolis, Jacksonville, New York, Chicago, and Oakland.

To start the first 11 programs, funds totaling nearly $24 million were furnished by the four Federal agencies responsible—the Department of Housing and Urban Develcpment (which by Executive Order chairs the interagency committee conducting the pilot program), the Department of Labor, the Office of Economic Opportunity, and the Department of Health, Education, and Welfare.

In each of the 14 cities, the area to be served has an average population of 50,000, about 67 percent nonwhite. A third of the families have incomes under $3,000, and 11 percent of the population is unemployed.

The demonstration program is designed to:

—Create a unified system through which the individual or the family can obtain all of the problem-solving and opportunity-enhancing services available to the neighborhood.

[3] For a further discussion of the relevant HUD programs, see the chapter on Geographic Factors in Employment and Manpower Development.

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—Initiate a cooperative intergovernmental effort to pool the resources and knowledge of city, State, and Federal agencies in assisting the neighborhood.

—Develop procedures for combining the efforts of the four Federal sponsoring agencies into an integrated team to work with neighborhood, city, and State agencies.

THE SPECIAL IMPACT PROGRAM

The Special Impact Program is directed towards solving critical problems of dependency, chronic unemployment, and rising community tensions through economic, business, and community development in low-income communities and neighborhoods. The program may also provide supporting manpower training for jobless or impoverished people if needed. In 1967, this program was also the largest source of funds for the Concentrated Employment Program. However, under the 1967 amendments to the Economic Opportunity Act, the latter function is divided from the Special Impact Program and given separate financing.

Most 1967 grants under the old combined program went to Community Action agencies to buy services needed in connection with CEP projects. However, the largest single Special Impact grant in 1967 was for a complex of programs aimed at economic and manpower development in the Bedford-Stuyvesant area, a primarily Negro and Puerto Rican slum in the heart of Brooklyn, N.Y.

The Bedford-Stuyvesant project involves two corporations. The first, which is directed by a board of local residents is responsible for such undertakings as sponsorship of housing projects, job-training classes, attracting new businesses to the areas, and running a school or health center. The second, organized to give the local corporation technical aid and to attract outside investment, has a board of financiers and industrialists.

The first segment of this project to be completed involved the enrollment, during the summer of 1967, of 272 neighborhood youth. Working under journeymen, these youth refurbished the yards and exteriors of about 500 houses. More than a dozen youth have now gone into the renovating business, forming three different companies; 40 have taken construction trades apprenticeship tests; and all but about 25 of the others have been placed in jobs. Other major projects are planned but not yet underway.

Efforts to induce established businesses to come into the area met with limited success in 1967. It had been anticipated, however, that it might take as long as 4 years for the impact of the community effort to be noticeable. Meantime, the project is being closely monitored as a demonstration that may develop patterns to be followed in other areas.

THE CONCERTED SERVICES PROGRAM

Progress in coordinating manpower services has so far occurred mostly in urban areas. A pathfinding effort is underway, however, to unify all manpower programs in depressed rural counties. This is the program known as Concerted Services in Training and Education, with pilot projects in three rural counties of Arkansas, Minnesota, and New Mexico. Here, the Departments of Agriculture, of Labor, and of Health, Education, and Welfare are cooperating in a pilot effort to apply the new training and education programs more effectively.

Under the direction of local coordinators, the Concerted Services projects have gone well beyond the original conception and have become the focal point in each area for any Federal, State, or local activity concerned with the creation of jobs and the development of people for jobs. A movement is now underway to expand the areas covered by the pilot projects.

In one Concerted Services county (Sandoval County, N. Mex.), the coordinator of Concerted Services interprets and helps the people obtain Federal services. He works to secure MDTA projects and helps to develop them; encourages residents to register with the State Employment Service; meets with the Manpower Advisory Committee; and endeavors to concentrate Federal manpower and development resources on local projects (such as a public park, a town clinic, and a program of basic education for illiterate residents).

In the other counties, the coordinators do essentially the same things, although their functions vary to fit the local situation.

HUMAN RESOURCES DEVELOPMENT

Underlying all of the above, as well as current placement efforts of the public Employment Service, is the concept of Human Resources Development (HRD),[4] introduced in 1965 and now operating in every State, the District of Columbia, and Puerto Rico. Like the Concentrated Employment Program, this program involves a focusing of staff and resources on reaching the disadvantaged, improving their employability, developing jobs for them, and placing them in these jobs.

The Human Resources Development Program has, up to now, involved only the public Employment Service. It covers the country, wherever there are State Employment offices. It is an inseparable part of all Concentrated Employment projects.

In an effort to reach the hard-core unemployed, local office staff members had been stationed in some slum areas. But experience had shown that this was not enough to bring these disadvantaged people in touch with employability development programs. It was found that trained neighborhood workers with first-hand experience in the poverty areas are the most effective bridge—they call on the people in their homes and meet them in their neighborhoods to explain the services available.

Most of the people thus contacted need help to improve their employability. This usually requires counseling and the development with the individual of a specific and realistic "employability plan" which may include a variety of needed services such as skill training, remedial education, health or welfare services, orientation in techniques of job hunting, coaching in good work habits, practice in taking employer examinations, and legal counsel. The culmination of these efforts is placement of the individual in a job—often with special assistance from the cooperating employer in developing a suitable opportunity, or perhaps even in restructuring some existing job so that the worker can qualify for it.

The HRD Program has brought about a dramatic shift in emphasis in the Employment Service—from a strongly employer-oriented screening agency to an applicant-oriented organization accepting a responsibility for developing the potential of individuals who need help. During 1967, intensive training programs, some conducted through universities, were held for key staff in every State to acquaint them with the philosophy and techniques of Human Resources Development. Several institutes were concerned with the special problems of Spanish-speaking Americans and of American Indians. The institutes were aimed partly at motivating a change in staff attitudes, since, as in any drastic change in program direction, this represented a challenge.

There have been, and still are, other problems. Improving the system's capacity for delivering up-to-date, comprehensive job market information is essential. In addition, supportive services must be obtained from already overburdened agencies.

These operational problems have not prevented local Employment Service personnel from becoming key members of the community teams concerned with planning and providing manpower services. Local office personnel are deeply involved, for example, in the basic tasks of recruitment, intake, orientation, job development, and placement of disadvantaged persons in the Concentrated Employment Program. And Human Resources Development staff and concepts are utilized in this effort.

Enlisting Private Industry Cooperation

A precedent-making new program for developing job opportunities in the private sector of the economy was called for by the President in his message to the Congress on Manpower. In introducing this JOBS Program, the President referred to the $40-million Test Program in five large cities, which had provided a basis of experience for the new program, and stated that "Government-supported on-the-job training is the most effective gateway to meaningful employment . . ."

The new JOBS Program is based not only on experience under the Test Program but also on the results of on-the-job training projects conducted for the past several years under the Man-

[4] For a more detailed description of the concept of Human Resources Development, see *1967 Manpower Report*, pp. 48–49.

power Development and Training Act, and on a demonstration program sponsored by the Department of Labor in 1967 (the Ten Cities Program).

Several major projects initiated by private industry have furnished valuable experience also. In Detroit, for example, the New Detroit Committee, with representation from most of the city's larger businesses, was established in August 1967, after the summer riots. This committee has carried out some very successful projects for recruiting and training disadvantaged people, mostly Negroes. The New York Coalition, organized in October 1967, differs in that it includes labor and civic as well as business leaders, but the purpose is much the same.

A somewhat different joint move was made late in 1967 by the steel industry and the steelworkers' union to secure Federal help in upgrading steelworkers and to train unemployed workers to take their place.[5]

Upgrading in industry, with resulting opportunities for the unemployed, is also the objective of the imaginative program of Skill Advancement, Inc., in New York. This nonprofit organization—organized by Cornell University, the Puerto Rican Forum, Inc., and the Urban League of New York, with Government support—has worked with large and small employers and with industry groups to train low-skill employees and to upgrade them. By August 1967, more than 2,500 workers had been upgraded through the efforts of this organization, which plans to upgrade 1,500 more in fiscal 1968.

With these and other experiences on the record, the JOBS Program was decided upon. It is described in more detail later, after a preliminary discussion of the demonstration programs which have preceded it (the Test and Ten Cities programs).

THE TEST PROGRAM

Early in October 1967, the President announced a pilot program to ally the forces of Government with those of private industry in a joint attack on hard-core unemployment. Businessmen in five cities in which Concentrated Employment projects were functioning—Boston, Chicago, Los Angeles, San Antonio, and Washington, D.C.—were invited to come forward with plans for on-the-job training of severely disadvantaged residents. The inducement was a Federal commitment to assume up to 100 percent of the added costs and to cut red tape, so that cooperating businessmen could make all arrangements for assistance from a variety of agencies through a single office in the Department of Commerce. The specific objectives were establishing, in or near ghetto areas, plants and businesses committed to employment of the disadvantaged and obtaining similar commitments from existing plants, and action by private industry (at Government expense) to provide technical, managerial, and training assistance to small businesses offering employment opportunities for slum residents.

Agencies providing assistance are the Departments of Labor, Commerce, Defense, Health, Education, and Welfare, and Housing and Urban Development; the Office of Economic Opportunity; the Small Business Administration; and the General Services Administration. In addition to Department of Labor training subsidies and a full range of manpower and supportive social services, the kinds of assistance that may be provided include lease or sale of surplus Federal property, aid in the lease or construction of job-producing industrial facilities in poverty areas, use of excess Federal equipment for job training, lease guarantees protecting capital investments by large firms leasing facilities to small business, small business loans, and funds for transportation services and managerial assistance.

In little more than a month after the program was announced, plans had been made to build a printing plant in the Roxbury area of Boston, which would give work to 232 chronically unemployed workers. Training equipment is to be provided from Government surplus, and training costs up to about $1.1 million (an estimated two-thirds of the total) are to be met by the Department of Labor. An initial group of 60 unskilled men and women, to be selected by the State Employment Service, were to start work in January 1968, and the full complement of trainees should be at work by midsummer.

Further impetus to the program came with the Economic Development Administration's designation of a 6-mile-square area in the Chicago stockyards district as eligible for Federal grants and loans. This opened the way for development of a new industrial park, which could provide up to 7,000 jobs for hard-core unemployed within 2 to

[5] See *1967 Manpower Report*, pp. 59–60, for a further description of this project.

3 years. And in Washington, D.C., plans were made to bring manufacturing operations into two slum areas.

Before the end of 1967, nearly 160 companies had expressed interest in participating, as a result of meetings of Government agency teams with leading businessmen in the five cities involved in this pilot program.

THE TEN CITIES PROGRAM

The search for effective ways to involve the private sector of the economy led, in July 1967, to Department of Labor contracts with six private employers (as well as one public school system) in 10 major cities. The projects, which are to provide training and placement assistance for large groups of the most seriously disadvantaged, are being coordinated with the Concentrated Employment Program in each of the cities. The projected cost is $14 million.

The contractors are recruiting trainees, giving medical examinations and minor medical treatment if needed, and providing basic education, employability training, and work tryout and on-the-job training, coupled with prevocational and skill training—all tailored to individual needs. The program provides for continuous counseling and for vigorous efforts to place trainees in suitable work. All trainees must be placed directly in jobs or on-the-job training during the initial 15 months of the project—which will thereafter devote a final 3 months to followup.

Each project is employing its own curriculum design, including the use of programed learning and other advanced teaching techniques. The operations are being continuously observed and analyzed, in order to give the Department current information on how well the programs are going, as well as insights into their accomplishments and problems.

One of the lessons already learned from this and other programs is that successful preparation and on-the-job training of the hard-core unemployed cost much more than the average of $750 per trainee indicated by past projects of on-the-job training under the Manpower Development and Training Act. Because the task of helping the greatly disadvantaged achieve employability and needed work skills is so difficult and complex, the average cost per trainee under the Ten Cities Program will be about $2,300.

THE JOBS PROGRAM

The JOBS Program announced by the President in January was the logical outgrowth of the Test and Ten Cities programs as well as the experience with on-the-job training under the MDTA. This new program looks to industry as the demonstrated best source of training with promise of eventual employment. And it puts at the disposal of industry the services and facilities of Government, as experience has shown is essential if hard-core unemployment is to be eradicated. The JOBS Program will be linked with existing programs, especially the Concentrated Employment Program, as a part of the present concerted attack on this problem.

Under the JOBS plan, the cooperating companies will provide training and offer employment to hard-core unemployed workers identified by the Government. The companies will bear the normal training costs. However, the persons hired under this program will be less qualified than those usually hired by the participating employers. Besides needing more training than the typical new employee, many of them will require basic education, transportation services, correction of health problems, personal counseling, and other special help. The extra costs for these services will be borne by the Government.

The goal is 100,000 jobs by June 1969 and 500,000 by June 1971, in addition to 200,000 summer jobs for youth. The JOBS Program is being started with $106 million from funds available for manpower programs in fiscal 1968, and the President has proposed increasing that amount to $244 million in fiscal 1969.

In announcing the program, the President said he was calling on American industry to establish a National Alliance of Businessmen to launch it, help achieve its goals, and advise the Government. In the 50 largest cities of the country, leading business executives will spearhead the effort in their own communities. The proposed JOBS Program represents the latest stage in the effort to mobilize the resources of the country, public and private, to insure that every American who wants and needs work can find it, and at a decent wage.

Meeting the Needs of the Individual

One of the principal difficulties in developing manpower programs to meet the needs of the unemployed and disadvantaged is the great diversity of problems and needs, between groups such as jobless youth and older workers, city slum inhabitants and the rural poor, welfare recipients and ex-convicts. Furthermore, the differences among individuals in the same general group may be equally great.

Recognition of these differences and of the consequent need to adapt programs to the individual lies behind the Human Resources Development Program and the provision for varied services in connection with the Concentrated Employment Program. In addition, the Congress has provided new programs for special groups. The new developments in existing programs, such as the Neighborhood Youth Corps and the MDTA training projects, will also permit greater flexibility in meeting the problems of the individual.

Taken together, these program developments provide a variety of possible approaches to the needs of different groups and individuals. A major task ahead is to mesh them more closely into a coordinated system of effective service tailored to individual needs.

WORK-EXPERIENCE PROGRAMS

The Neighborhood Youth Corps (NYC) is, to date, the largest of the group of programs that afford meaningful work experience to people not yet ready for competitive employment. Opportunities for learning through work are also an essential part of the program now known as Operation Mainstream, authorized by the Congress in 1965, and of the New Careers Program, authorized in 1966. These programs were set up under the Economic Opportunity Act and are administered by the Department of Labor, under a delegation of funds and authority from the Office of Economic Opportunity. In addition, the new Work Incentive Program for welfare clients, which will become operative in 1968, will have major work-experience elements.

It is expected that, with the budget recommended by the President, enrollments in work-experience projects will approach 600,000 in fiscal 1969. The great majority of the enrollees will be youth in NYC projects of this kind.

Neighborhood Youth Corps

A new avenue for on-the-job training of out-of-school youth through the Neighborhood Youth Corps was opened by a 1966 amendment to the Economic Opportunity Act. Under this amendment NYC work-experience training may be given in private industry, whereas previously such training could be provided only in public and private nonprofit agencies. At the same time, growing attention in NYC programs to remedial education, counseling, and "graduation" into other programs promises to increase the incentive for out-of-school youth to further their education. But for the deprived youth unwilling to return to school, the opening of opportunities in private industry offers a more direct channel into permanent private employment. During fiscal 1968 about 3,000 of the nearly 80,000 enrollees projected for the NYC out-of-school program will work with private employers. In 1969, the number will be much higher.

Wages of enrollees in the private industry projects—the minimum has been $1.40 an hour and some enrollees have been earning more than $2.00—are paid by the employers, who also supply materials, supervision, and training facilities. The employer's training costs are reimbursed.

Some progress has been made and efforts are continuing to move NYC out-of-school enrollees from work experience into skill training under the Manpower Development and Training Act. In a search for ways to provide an easier transition, concurrent NYC–MDTA pilot projects are underway in 10 cities. These projects allow the trainee to be enrolled in MDTA training 4 hours a day, with the remaining 4 hours spent at the NYC work site. There have been some successes and some problems. Since most of the projects still are continuing, overall conclusions cannot yet be reached.

As of November 30, 1967, more than 200,000 young men and women were enrolled in the Neighborhood Youth Corps—137,000 in the in-school program, which provides part-time work experi-

ence to help youth from impoverished families to stay in school; and nearly 64,000 in the full-time program for out-of-school youth. By that date, a total of 1.3 million youth had been enrolled in NYC projects since the program's start in 1965—some 400,000 in the in-school phase, about the same number in the out-of-school phase, and more than 500,000 in the summer programs, which are intended to enable impoverished youth to earn the money necessary to return to school in the fall.

There is evidence that NYC enrollees—whether in school, out of school, or in a summer program—have contributed substantially to community betterment. Their work assignments have been useful and related to the true world of work, and have aroused a sense of pride and accomplishment. The work of about 40 percent—mostly in-school enrollees—has been as clerical employees or as educational service aides. Another 28 percent—mostly out-of-school enrollees—have been building maintenance aides, sometimes with opportunity to learn a substantive skill. Some enrollees have been engaged in unusual or complex work—for example, as assistants in a television station, in display work, in drafting, and in housing rehabilitation.

Followup studies in 50 out-of-school NYC programs near the end of 1966 showed that about 35 percent of the former enrollees had full-time employment, 18 percent were in school or occupational training, 6 percent had entered military service, and 11 percent were housewives. The remaining 30 percent were ill or unemployed or could not be located.

Operation Mainstream

One of the work-training programs, known as Operation Mainstream,[6] offers opportunities for adults similar to those for youth under the Neighborhood Youth Corps.

Unemployed adults or those with low incomes, who are unable to obtain appropriate work because of their age or for other reasons, are provided work experience designed to prepare them for competitive employment. Trainees are employed in community betterment activities in public and nonprofit agencies and receive basic education and supportive services as necessary.

[6] The program was so identified after administrative responsibility for it was delegated to the Department of Labor by the Office of Economic Opportunity in 1967.

The first agreement for an Operation Mainstream project entered into by the Department of Labor was with Green Thumb, Inc., a nonprofit organization for rural workers affiliated with the Farmers' Union. By the end of fiscal year 1967, the Department had signed 145 agreements, most of them renewals of earlier projects funded by the Office of Economic Opportunity. Approximately 8,000 job opportunities were thus provided for out-of-work adults (at a Federal cost of not quite $24 million). And 1,352 additional job opportunities were opened during the first 5 months of fiscal 1968 by the funding of 28 more projects (at a Federal cost of $4.9 million).

Men outnumber women enrollees more than 9 to 1. And 3 of every 5 enrollees are aged 45 and over.

The work done by the enrollees is highly beneficial to their communities. Those in Green Thumb projects, for example—who are older workers with an average age of 68—have planted many hundreds of thousands of trees and shrubs, built or reconditioned parks, and worked on over 10,000 miles of highway rights-of-way, clearing brush and doing soil erosion work and landscaping.

The future development and direction of new Mainstream projects awaits a full review and evaluation of 1967 experience. However, early examination of four widely separated projects showed that they were having highly beneficial effects in sparsely populated areas with high unemployment rates, low educational levels, little industrial potential, and inadequate community services. It was concluded that, without Operation Mainstream, many older workers in these areas would have been unable to obtain employment. Nevertheless, project enrollees, nationwide, are moving into regular employment. A recent study showed that, of some 8,000 former Mainstream workers, nearly 2,500 had full-time employment, over 1,000 were working part time, and 1,000 were unemployed. The work status of about 3,500 could not be determined.

New Careers

The objective of the New Careers Program for unemployed and underemployed persons is to develop entry-level professional aide jobs, with maximum career-ladder opportunities. These jobs are to be in public and private nonprofit agencies and in such critically undermanned fields as health, education, welfare, neighborhood redevelopment, and public safety.

New Careers projects are very important elements in the Concentrated Employment Programs. Late in fiscal year 1967 (when the program was delegated to the Department of Labor) and in early fiscal 1968, 22 such projects were funded in connection with Concentrated Employment Programs; these projects are expected to offer 4,600 enrollment opportunities. Another 10 independent New Careers projects with 2,000 slots were to have been funded in the first quarter of fiscal 1968. However, because of the large amount of preliminary work required before professional aides can be brought into established institutions, and because of funding delays, only 322 new slots were actually provided in such projects during the first part of the year.

If this new program is to realize its promise, the institutions providing employment and the professional workers whose positions will be affected will have to agree to some restructuring of jobs. Some tasks not requiring professional training, but which have nevertheless been performed up to now by professional personnel, will have to be allocated to separate positions which can form the basis for professional aide ladders. Developing these aide jobs will enable institutions to utilize their professional staffs more efficiently, while opening opportunities for unemployed and underemployed people to prepare for worthwhile careers.

Innovative ideas and the support of nongovernmental organizations will clearly be required for progress in these directions. Plans have been made, therefore, by the Departments of Labor and of Health, Education, and Welfare for an institute on the potential for New Careers in education, health, the social services, law enforcement, corrections, and housing and environmental services. Most participants will come from national labor unions and professional organizations, and from individual New Careers projects, merit staffing systems, and career accreditation agencies.

The Work Incentive Program

A comprehensive manpower program designed to break the cycle of poverty for public assistance recipients was made mandatory by 1967 legislation (title IV, Social Security Act, as Amended). This new Work Incentive Program (WIN) sets as a national goal the restoration to economic independence of all employable persons 16 years of age and over in families receiving Aid to Families with Dependent Children (AFDC). More than 1 million families are involved.

Work Incentive Programs with a full complement of manpower services are to be set up by the Department of Labor in every State and political subdivision having a significant number of people eligible to participate. Supportive social and medical services are to be supplied by the public welfare agencies, which will refer public assistance recipients to the program.

It is planned to enroll 32,000 AFDC recipients in training under this program between April 1, 1968, when it becomes effective, and the end of fiscal 1968. Enrollment is expected to surpass 100,000 in fiscal 1969. The ultimate goal is to come as close as possible to universal enrollment of all employable welfare clients.

The program will differ in several respects from the work-experience and training program administered by the Department of Health, Education, and Welfare under title V of the Economic Opportunity Act of 1964, in which the Department of Labor cooperated under the 1966 amendments to that act. For one thing, it stresses the development of immediate and meaningful employment opportunities for public assistance recipients. The most radical difference, however, is a provision for subsidized public or private nonprofit employment for those who cannot be trained or placed in competitive employment.

It is estimated that up to 15 percent of the enrollees will move directly into jobs after initial assessment and counseling, and that an additional 5 percent will move to jobs following a 2- to 4-week orientation. The remaining individuals will be placed either in existing manpower programs for training specially adapted to their needs, or in training and work-experience activities specifically designed for the Work Incentive Program. Special work projects will be developed for individuals not immediately responsive to training or education and unable to enter the competitive job market.

It is believed that the majority can be brought to the point of employability by a combination of manpower and social services. In addition to counseling and testing, the program will provide, in sequence or in combination, job orientation, basic education, training in communications and employability skills, work experience, skill training either in classrooms or on the job, and special job

development and placement services. Followup and supportive social and medical services will also be available as needed in all phases of the program. The hope is that this meshing of manpower and manpower-related services to meet carefully diagnosed individual needs will speed the job placement of public assistance recipients and help to equip them for permanent self support.

NEW DEVELOPMENTS IN MDTA TRAINING PROGRAMS

The training programs for unemployed and underemployed workers established by the Manpower Development and Training Act of 1962 have been changing continuously ever since the act was passed. The latest changes reflect the new emphasis on serving the disadvantaged and coordinating manpower programs. They involve both the MDTA institutional (i.e., in-school situations) training projects and the on-the-job (OJT) training projects.

MDTA Institutional Training

Employment orientation training, as well as basic education, can now be provided when needed to prepare the chronically unemployed for jobs or skill training. This was a 1966 addition to the kinds of training permissible under the MDTA. It helped to make feasible the reorientation of MDTA programs in 1967, under which 65 percent of all training slots were set aside for the most disadvantaged—those with combinations of problems such as lack of education, minority group status, long-term unemployment, poverty, and being a teenager or an older worker.

Employment orientation training provides a bridge to employment for many who have skills but poor work records (owing, for example, to carelessness, excessive absenteeism, job hopping or negative attitudes). Training can be given as needed in communication skills, grooming and personal hygiene, the standards of behavior and performance generally expected by employers, techniques of job-hunting, and even the use of the local transportation system (since many slum residents know only their own neighborhoods).

Altogether, 132,000 training opportunities were approved in MDTA institutional programs during fiscal 1967. Available data suggest that the number of disadvantaged enrollees approximated the target ratio of 65 percent. The total number of full-time trainees in institutional programs during fiscal 1968 is expected to be about 129,000. And the President's budget recommendations for fiscal 1969 call for an increase in this number to about 170,000.[7]

About 109,000 persons completed MDTA institutional training during fiscal year 1967. Followup during the year after training shows that 90 percent of institutional trainees obtained employment, most of it training related, and that 72 percent were employed when contacted.

Efforts to attack the skill shortage problem through part-time upgrading training for lower skilled employees was less successful, however. Such part-time training had been made possible through a 1966 amendment to the MDTA, and it was hoped that successful upgrading of workers would open opportunities for the disadvantaged in lower skilled jobs. Plans for pilot projects to test this approach called for the approval of 6,000 trainees in such projects during the first quarter of fiscal 1968, but only 520 were actually approved.

The kinds of workers for whom the part-time training is designed are already employed and difficult to identify. Of those actually reached, few have been interested in undertaking 2 or 3 hours of training after an 8-hour workday. The training incentive payment of up to $10 a week (for up to 18 hours of training) is clearly an insufficient attraction—unless the worker faces the immediate likelihood of losing his job if he does not upgrade his skills. Efforts are now being made to test the feasibility of providing the training partly on the trainee's own time and partly on that of his employer, since both will benefit. The desirability of increasing the incentive payment is also being considered.

MDTA On-the-Job Training

Enrollments in on-the-job training under the MDTA were higher during fiscal 1967 than in any previous year. By the end of fiscal 1967, the total number of approved OJT training opportunities

[7] These 1968 and 1969 figures include not only trainees in MDTA projects as such but also institutional trainees in Opportunities Industrialization Center (OIC) projects and the Work Incentive Program.

stood at close to 153,000, substantially above the target figure of 125,000 on-the-job training slots for the fiscal year as a whole. It is estimated that 110,000 new trainees were enrolled during the year—the highest 12-month enrollment in the history of the OJT program.

The 1968 estimate calls for 186,000 persons to be served by on-the-job training programs, and the 1969 budget anticipates 281,000. Beginning in 1968, however, these figures no longer relate exclusively to the MDTA program; they also include the OJT components of several other manpower programs—the Neighborhood Youth Corps, the Work Incentive Program, JOBS, the Concentrated Employment Program, and the special programs for veterans. It is estimated that 103,000 will be trained on the job in fiscal 1969 under the MDTA program, including the MDTA contribution to JOBS—somewhat more than a third of the projected total number of OJT trainees.

During the 1967 fiscal year, 54,500 trainees completed OJT projects. Posttraining followup shows that 90 percent of those completing such projects remain regularly employed, 95 percent of them in training-related work.

To make on-the-job training possible for the most severely disadvantaged, it was planned to devote nearly 60 percent of OJT funds in fiscal 1967 to the coupling of skill training with supplemental basic education, communications, or employability training. Contracts providing for nearly 55,000 training slots in coupled programs were executed in fiscal 1967, only two-thirds of the number projected. But in the first quarter of fiscal 1968 the target was exceeded—with contracts calling for close to 20,000 training slots in coupled projects, as compared with a target figure of 16,000.

Problems have been encountered in recruiting and retaining disadvantaged trainees during the first stage of coupled programs, which usually involves classroom training. Many of these trainees are school dropouts who have already rejected the school setting and resist returning to it. It has been found that trainee interest in coupled projects is strengthened by substituting vestibule training on the employer's premises for classes in the schools.

The growing practice of contracting for OJT programs with a community organization which, in turn, subcontracts with employers has increased the numbers of disadvantaged trainees recruited. It also has been learned, however, that a greater Federal investment will be essential in order to interest employers, attract the disadvantaged to the programs, and keep them in training and subsequent employment. This finding underlies the decision to increase the Government's payments to employers, in order to compensate them for the added indirect costs (through loss of productivity, unusual supervision requirements, and extra risks and burdens) involved in training the disadvantaged. Also, more initial counseling, health, and other supportive services are to be provided to improve the employability of prospective trainees.

In developing new OJT contracts, particular attention is being given to training for well-paid jobs offering promotional opportunities. The cooperation of large companies in creating new training opportunities will be sought, and an active effort will be made to develop opportunities with firms establishing operations in ghetto areas under the Test and JOBS programs. In addition, closer relations are being developed with the Job Corps and NYC, so that youth leaving these programs can go directly into OJT positions in private industry.

NEW TECHNIQUES FOR REACHING AND SERVING THE DISADVANTAGED

The search for effective ways of establishing communication with the poor and disadvantaged, winning their confidence, and stimulating their determination to advance themselves has led to a number of innovations. For example, use has been made of aides drawn from the target slum neighborhoods who are able to work with their neighbors, unhampered by the communications barrier that often separates the ghetto dweller and the middle-class professional. The employment of these neighborhood workers is a key feature of the Human Resources Development Program and other new programs involving outreach activities (as already discussed).

Following are some other new approaches which have been developed for reaching and serving the disadvantaged.

TIDE Program

An effective device for building aspirations and redirecting the energies of problem youth has

emerged in the TIDE (Testing, Informing, Discussion, and Evaluating) Program. This was introduced initially in 33 Youth Opportunities Centers in the summer of 1966, primarily as a means of holding youth until Neighborhood Youth Corps, MDTA, and Job Corps assignments could be opened for them. Variations of the 1966 program were undertaken experimentally in 32 YOC's between July and October 1967.

Each TIDE class was a 4-week program in which 15 to 20 youth were brought together at a conference table, with a counselor, to discuss their problems and hopes and to learn what is required to make a start in the working world. Films, visiting speakers, field trips, and other resources were utilized to get the individual to evaluate his abilities and limitations and to think positively about his future. Of the more than 1,200 disadvantaged youth taking part in the TIDE demonstration, about 80 percent were motivated to return to school, take additional training, or find jobs.

Opportunity Line

Still under evaluation at the end of 1967 was a program of outreach through television to seek out applicants for the many unfilled job openings listed with the public Employment Service.

The program began at a Chicago television station in June 1967. In cooperation with the Urban League, the Merit Employment Committee of the Chicago Association of Commerce and Industry, and the Illinois State Employment Service (ISES), this station introduced "Opportunity Line," a Saturday afternoon program for which the Negro personnel manager of one division of a major steel company is master of ceremonies. The program uses a job board and a battery of ISES interviewers to answer phone inquiries, and features interviews and "success stories." Respondents seeking work are directed to appropriate ISES offices.

The program has generated wide interest, stimulating hundreds of new job orders from employers, and demonstrated to the unemployed and underemployed that jobs are plentiful and of wide variety. It also has intensified public interest in the Employment Service.

Similar programs now have been introduced by television stations in many other cities. Guidelines were issued to Employment Service offices throughout the country, on the basis of the Chicago experience, suggesting methods for assuring the fullest possible service to respondents.

Project PRIDE

In a brief span of 4 weeks during the summer of 1967, a group of five "top dudes"—natural leaders of ghetto youth—proved that they could plan, assume responsibility, organize, delegate, and achieve results. Project PRIDE, an experimental youth project sponsored by the Department of Labor in Washington, D.C., revealed a previously untapped leadership and performance potential. The group was able, within 3 days, to recruit more than 1,000 youth, assign them to operating areas and work teams, and move them into action—cleaning streets, alleyways, and vacant lots, hauling away trash, and killing thousands of rats. Countless abandoned washing machines, refrigerators, kitchen ranges, and motor vehicles were taken to the city dump.

Project PRIDE proved the sponsors' original hypothesis—that there is order in the ghetto, although often unrecognized outside and often directed toward antisocial ends. It proved further that this order, combined with street leadership, can become a powerful, positive force.

The Opportunities Industrialization Centers

The Opportunities Industrialization Center (OIC) idea, conceived in Philadelphia in 1964 as a Negro self-help venture,[8] has spread rapidly throughout the country. At latest estimate 60 independent centers had been established, the largest ones located in Philadelphia, Erie, and Harrisburg, Pa.; Roanoke, Va.; Washington, D.C.; Los Angeles and Menlo Park, Calif.; Seattle, Wash.; Little Rock, Ark.; and Oklahoma City, Okla.

As of early 1968, about 25 OIC's were being funded jointly by the Departments of Labor and of Health, Education, and Welfare and the Office of Economic Opportunity. In addition, the Concentrated Employment Programs in six major cities had subcontracted with the local OIC's to provide certain manpower services. The other centers are

[8] See *1967 Manpower Report*, p. 60.

financed mainly from local resources. A national OIC institute in Philadelphia provides a technical-assistance service to the federally funded OIC's.

Training at the OIC's is accompanied by intensive counseling during and sometimes after the course is completed. A "feeder" program prior to skill training is a unique element designed to increase the trainees' employability.

The ability of an OIC to place its trainees in jobs is rooted in its relations with the local business community. Businessmen are consulted regarding their job requirements. An advisory committee for each occupation is appointed to represent the employers of the community. This committee assists in writing the curriculum, donates or secures equipment and supplies, recommends program revisions to meet changing job requirements, and helps to place the graduates in jobs.

The original center in Philadelphia has placed 3,600 trainees in jobs with 888 different companies during its first 3½ years of operation. All but 2 percent of these placements were in jobs using the skill in which the individual was trained. This center can accommodate 1,400 trainees at a time and has a waiting list of 6,000.

MEETING THE PROBLEMS OF SPECIAL GROUPS

Older Workers

Within the total population of the disadvantaged are several special groups—some localized, some scattered throughout the country—with unique problems requiring specially tailored programs. One group whose needs have received particular emphasis in 1967 and 1968 is older workers.

The Age Discrimination Act of 1967, recommended by the President in his 1967 Older American message, becomes effective in mid-June 1968. The measure applies to employers of 50 or more persons (25 or more after June 30) and to employment agencies and labor organizations. Its prohibition against arbitrary age discrimination protects workers between the ages of 40 and 65—about one-half of the entire labor force.

The legislation gives the Secretary of Labor enforcement power. It also directs him to make further studies—among them an examination of institutional arrangements, including compulsory retirement, which work to the disadvantage of older workers—and directs him to foster older worker employment through the Employment Service and through cooperation with public and private agencies.

The Employment Service program for older workers who have difficulty in getting or keeping jobs principally because of age (or of characteristics ordinarily associated with age) includes counseling, job development, referral to training or to other social services, and job placement. All these services are provided on an intensified and individualized basis.

A moderate expansion, initiated in fiscal 1966, allocated 100 staff positions exclusively for such services to older workers, and in fiscal 1967, an additional 291 positions were allocated. Most of these positions were used to staff older worker service units in 27 of the Nation's major cities.

Jobseekers aged 45 and over accounted for 15 percent of all applications filed with the Employment Service in the first 10 months of 1967, and for 21 percent of all placements made (more than 1 million). During the same period, 108,000 older workers received intensive counseling to assist them in choosing an occupation or dealing with other job problems.

The new older worker service units represent the most concerted effort since the late 1950's to expand employment services for this group. There are arguments for and against the concept of specialized, older worker units. At the end of 1967, the Department of Labor was in process of consulting Employment Service officials, older workers, and business and community leaders, with the aim of evaluating these units and other services to older workers.

Since most special service units had been in operation for only a few months, it was too early to summarize their activities. However, in the five original units (in Detroit, Minneapolis-St. Paul, Kansas City, Rochester, and Houston), 6,200 older workers filed job applications from January through October 1967. Of these, 4,350, or 70 percent, received job counseling, a ratio seven times the overall Employment Service average for this age group.

The Human Resources Development Program has spurred efforts to aid older workers. Most such workers registering with the Employment Service fit two of the criteria for HRD services; besides being 45 years of age or older, they have been (or

may reasonably be expected to be) unemployed for 15 weeks or longer. In general, where older worker service units exist, these have been incorporated into the HRD effort.

The Employment Service has also conducted two experimental projects in neighborhood employment centers, in order to make its services as accessible as possible to older workers. Both centers were staffed almost entirely by volunteers, and have demonstrated the effectiveness of these volunteers in job development and other assistance to older workers. Current plans call for extending the use of volunteers to other localities.

Among MDTA trainees, the representation of older workers has increased moderately. The proportion reached 12 percent in fiscal 1967, an improvement over the earlier ratio, which was persistently about 10 percent. In on-the-job training projects, the proportion of trainees who were older workers was 11 percent in 1967.

Seven experimental and demonstration projects concerned with older workers were operating in 1967, out of a total of 16 such projects initiated since the passage of the MDTA in 1962. The experience gained through these projects should furnish useful guidelines for organizations concerned with the problems of older workers.

Mexican Americans

Concentrated in the southwestern part of the United States are nearly 5 million Mexican Americans. This minority group is afflicted by pervasive poverty, high unemployment, lack of education, and other economic and social deprivation (as discussed in the section on Equality of Opportunity in an earlier chapter).

The MDTA program has not been very successful in reaching the most disadvantaged members of this population group, particularly in rural areas. Enrollment of these people in training projects has been hampered by their frequent inability to meet the entrance requirements, by the fact that these projects are largely urban, and by mistrust of the Employment Service, through which the training opportunities are available. Some Mexican Americans apparently believe that Employment Service offices cannot offer them opportunities or will categorize them as farmworkers and shunt them into the migrant labor system from which they are trying to escape. Lack of adequate outreach facilities limits the Employment Service's ability to change these attitudes. However, efforts are being made to strengthen services to the Spanish-speaking people of the Southwest by such methods as developing Spanish versions of testing materials, increasing the numbers of bilingual interviewers and counselors in local offices, and emphasizing recruitment of Mexican American job applicants.

The Neighborhood Youth Corps has had the greatest success in serving this minority group. There has been substantial Mexican American participation in both in-school and out-of-school projects. But the lack of vocational and personal guidance, especially for the out-of-school youth, and the lack of followup after NYC enrollment is ended are serious deficiencies. These Mexican American out-of-school youth often represent the most disadvantaged members of a poverty-stricken population, and they are badly in need of continued, understanding guidance. Enrollment in NYC projects may give these youth a glimpse of their potential. But the general lack of opportunity to move on to skill training and jobs after completing an NYC project has often left them little, if any, better off than on entering the project.

To meet the need for a communications bridge between Mexican Americans and the Employment Service and to give them greater awareness of available manpower programs, an organization known as SER (Service, Employment, Redevelopment) was organized by some major Mexican American organizations. SER was funded late in 1966 by the Department of Labor and the Office of Economic Opportunity to establish information centers and prepare a "skill bank" of Spanish-speaking people. A total of $5 million in MDTA funds has been earmarked to support the local programs SER is developing. In three cities, the organization has furnished a component of the Concentrated Employment Programs.

Thus, a small beginning has been made. But there is great need for provision of better educational and health services, for improved transportation, and for industrial development in the areas where Mexican Americans are concentrated.[9] Broad Government action in these directions will

[9] For a discussion of the economic development program for the Four Corners region of the Southwest, see the chapter on Geographic Factors in Employment and Manpower Development.

be needed to bring the Mexican Americans of the Southwest into full participation in the region's economic and cultural life.

Prison Inmates

Through appropriate training and other services, many prison inmates can be prepared for productive lives after release. Evidence to this effect has accumulated from E&D projects in the past several years.

The projects give promise that more widespread counseling, basic literacy training, skill training, job development help, and placement and supportive services can effectively reduce the present high recidivism rates. At least one-third of the more than 100,000 persons released from State and Federal prisons each year, and one-third of the large numbers released from local and county jails and workhouses, now return to prison as repeating offenders.

Most offenders, when they enter correctional institutions, have little training or job skill. Characteristically, they have had unstable employment experience or perhaps none of real significance; as a group they are undereducated and have poor attitudes toward the world of work; and many come from broken homes. Such backgrounds, coupled with a prison record, present grave handicaps to individuals looking for jobs after release from prison. Inability to find work is apparently a factor in the high rate of recidivism.

In view of the apparent need for training and related services for prison inmates, Congress has authorized a new and expanded pilot program to run through fiscal 1969. The purpose of the new program is to acquire additional knowledge and experience on which to base State and Federal programs for all inmates who need job preparation. In the absence of special financing, reserve MDTA funds will be used to finance a limited number of projects. These are being developed by State Employment Services and education agencies, in consultation with administrators of correctional programs.

To inform administrators and other concerned people about the new program, the Rehabilitation Research Foundation has conducted four regional conferences on the findings of experimental and demonstration experience in prison inmate training. These conferences have included Employment Service representatives, vocational rehabilitation officers, vocational educators, corrections administrators, and pardon and parole officials.

New projects are being planned under the Manpower Development and Training Act to take advantage of the experience and insights gained from the demonstration projects. Innovation and experimentation will continue in these new projects.

Experimentation with respect to the effect of bonding assistance in aiding the employment of ex-prisoners also is continuing under a 1965 MDTA amendment. Many occupations have been closed to ex-prisoners because of bonding requirements and the refusal of bonding companies to underwrite the trustworthiness of persons with police records. Under the experimental program, the Federal Government has contracted with a commercial underwriter to provide bonds for ex-prisoners, and for others who have participated in a federally assisted manpower program and are denied employment because of arrest records or for other reasons unrelated to ability.

SERVICES TO RETURNING VETERANS

About 850,000 servicemen will be returning to civilian life during fiscal 1968—and an equal number in 1969—about 300,000 more than in the average pre-Vietnam year. Some have meaningful work awaiting them, but large numbers will face serious employment problems unless all the resources of Federal, State, and local governments are marshaled to help them.

The President, in August 1967, directed the Secretary of Labor, in cooperation with the Secretary of Defense, to see that "each and every returning veteran be personally contacted by telephone or by personal visit by a representative from one of the Nation's 2,200 public Employment Service offices in order to ascertain his or her particular job needs."

Accordingly, as each serviceman is discharged, notice is sent to the Employment Service office nearest his home, and this office makes every effort to inform the veteran in person of the services it can offer—extensive job counseling and guidance, training opportunities, referral to employment, and information about the new GI bill of rights. In addition, if the veteran faces any period of unemployment, the office will see that he is informed

about the veterans' unemployment compensation program.

To provide additional services, the President recently ordered the establishment of special U.S. Veterans Assistance Centers in 10 major cities throughout the country and proposed similar centers for 10 other cities. These centers will enable veterans to get information in one centrally located office on the full range of educational, employment, housing, health, and other services to which they are entitled.

The Employment Service and Veterans Center programs are geared to helping the veteran after discharge. Through its new Project Transition, the Department of Defense is also providing training and educational opportunities for an increasing number of servicemen during their final 6 months of service, to prepare them for civilian employment. Highest priority is given to those expected to face the most severe problems—the combat disabled, those with no civilian work experience, and those, including many combat veterans, who did not acquire any skills related to civilian jobs while in the service.

Project Transition has four basic elements—a counseling program to determine career desires and educational and training choices, an educational program to bring men up to the eighth grade or high school equivalency level, a training program to give them marketable skills, and a placement system to furnish employment opportunities to the newly trained servicemen (through the facilities of the Employment Service and private industry). Training is provided through existing civilian-related military courses, through MDTA courses or those sponsored by Federal agencies such as the Post Office Department, and through courses given by companies to meet their own employment requirements. Thus, in providing predischarge training to servicemen, Project Transition will help meet the personnel needs of Federal, State, and local government agencies as well as of private industry.

Special benefit from Project Transition is expected for marginally qualified servicemen inducted under the Armed Forces' recently developed Project 100,000. During the first year of Project 100,000, the Armed Forces accepted 49,000 men who previously would have been rejected, and 96 percent of them successfully completed basic training. About one-third of this group has been trained in combat skills. It is expected that in 1968 fully 100,000 young men will be accepted for service under this program.

The recent GI benefit legislation should make advanced training and education possible for great numbers of young veterans who previously could not afford this. More than 250,000 veterans currently attending college are receiving payments under the program, which go as high as $175 a month for a veteran with two dependents. The new law also authorizes on-the-job training allowances to veterans enrolled in Federal or State-approved apprenticeship programs. Altogether, it is estimated that this legislation will provide increased educational, job training, and other benefits for about 5 million veterans of the Vietnam period. Currently, more than 400,000 are receiving benefits.

To supplement the new GI bill, the President, on January 30, 1968, proposed new legislation that would enable the veteran to help others while helping himself. The President has allocated $50 million in his 1969 budget as incentive payments to veterans who agree to take training for special public service jobs. The proposed legislation—the Veterans in the Public Service Act of 1968—seeks to channel the talents of veterans into the Nation's ghetto schools, understaffed city police and fire departments and hospitals, and many programs designed to help the disadvantaged.

Veterans studying to be teachers in deprived areas will draw additional benefits of $50 a month for every month they agree to teach—up to 3 years of such extra benefits. The Department of Defense is cooperating with major police departments throughout the country by allowing early discharge (up to 90 days) for men who wish to enter civilian police work. The President also has directed the Veterans' Administration to increase the numbers trained in health occupations in its hospitals by 80,000 a year. In addition, the Employment Service is making a strong effort to interest veterans with paramedical experience in planning civilian careers in health occupations.

Veterans are not, as a group, disadvantaged and certainly are not among the hard-core unemployed. However, 24 percent of the returning veterans have not completed high school. Many are Negroes, Mexican Americans, American Indians, and Puerto Ricans—minority groups that often face special obstacles in securing work. Whatever their

ethnic origin, and whether their roots are in poverty or affluence, veterans represent one of the country's greatest resources of manpower. The interlocking programs now underway are designed to insure them opportunity to develop their abilities fully and to find satisfying jobs.

1968 and the Future

The new developments reported in this chapter—some begun cautiously in 1966 and tried out in 1967, some begun in 1967 or still in the planning stage at the beginning of 1968—should become fully operative this year. Private industry should now become deeply involved in development and employment of the country's most disadvantaged human resources, and its potential for acting as a full partner in the Government's manpower programs should be demonstrated. The expansion of the Concentrated Employment Program is expected to decrease unemployment in city slums and depressed rural areas. The Human Resources Development Program in all its varied manifestations will continue to be the heart of Employment Service programs. And the new JOBS and Work Incentive programs and other strengthened programs of training and work experience will alter the lives of many thousands of people.

Certain aspects of these programs will certainly be changed as experience is gained, and new approaches will be tried. But in one shape or another, these programs must and will succeed. There is little choice, if continued hopeless unemployment, poverty, and mounting unrest are to be prevented.

These programs have to work as an integrated whole. Interagency rivalries, suspicion among various action groups, and the urge to act alone without mutual planning must be submerged in a concerted marshaling of efforts.

A rigorous and systematic evaluation is needed and will be carried out, to determine what is working and what is not, and what can be done to improve each project. The programs or phases of programs that cannot be made to serve their intended purpose must be discarded or changed; those that offer the most profit over investment in terms of human advance and elimination of chronic joblessness must be emphasized and expanded.

The estimate in the *Budget of the United States* for fiscal 1969 that 1,292,000 persons will be served by training, work-experience, and related programs represents an increase of 322,000 over the estimate for fiscal 1968. If this goal is reached, and a great number of disadvantaged people thus enabled to enter meaningful jobs, this will represent a major breakthrough in solving the problems of unemployment and poverty in the United States.